

# United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS  
WASHINGTON, DC 20510-6175

September 29, 2009

The Honorable Barbara Boxer, Chairman  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

Dear Chairman Boxer,

According to news reports, Sen. Kerry and you plan to introduce cap-and-trade legislation on Wednesday, September 30. We understand that your bill, as currently drafted, is incomplete in several important respects- most notably, it lacks a formula to determine the allocation of emission allowances. Leaving out these and other key provisions makes it impossible to get an objective estimate of the economic impacts of your bill on consumers, especially those in energy-intensive regions that rely on coal for electricity and manufacturing for jobs. Moreover, farmers, families and workers have no way of gauging how acutely they will be affected from job losses, higher electricity, food, and gasoline prices.

On August 6<sup>th</sup> we wrote to you about these concerns, stating that, "To what degree families will pay higher utility bills, farmers will face higher production costs, drivers will face more pain at the pump, and workers will face a greater likelihood of losing their jobs, depends on how a cap-and-trade program distributes its tradable allowances. This makes knowing the allocation scheme vital to determining who it will help and who it will hurt." Moreover, as we wrote then and continue to believe now, we cannot repeat the process in the House, in which committee members had only a few days to review critical components of cap-and-trade legislation before markup, and a 300-page supplement was not made public until just hours before the final vote on the floor.

Certainly you would agree with us that the American people and their elected representatives need a fair, open, and transparent review of your legislation. In that vein, we urge you to introduce complete legislation, with no placeholders. Moreover, it is imperative that we have a complete bill well in advance of legislative hearings and markup. Otherwise the legislative process will not paint a full and accurate picture of your legislation to the American people.

Sincerely,

Janet Hoff

George V. Kenosha

Daniel Vitter

John Barrasso

Mike Croy

Ruff Bond

Laura Alexander